

Niagara-on-the-Lake Hydro Inc.

March 23, 2015

Ms. Kirsten Walli, Board Secretary
Ontario Energy Board
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Toronto ON M4P 1E4
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Via RESS and e-mail

Niagara-on-the-Lake Hydro Inc. 2015 Price Cap IR Distribution Rate Application Review of Decision and Rate Order OEB Case EB-2014-0097

Dear Ms. Walli

Pursuant to Paragraph 2, Page 10 of the Decision and Rate Order in this case, dated March 19 2015, Niagara-on-the-Lake Hydro Inc. ("NOTL") has reviewed the Tariff and would like to make the following comments and explanation of certain inaccuracies:

<u>Comment – Incremental Capital Module (ICM) Rate Riders</u>

NOTL confirms that the ICM rate riders in the Tariff are correct, as they are the same as shown on Page 12 of NOTL's Reply Submission dated January 28, 2015, which uses TCP 4 as the allocator of the ICM revenue requirement.

NOTL notes that the ICM rate riders in the IRM model provided to NOTL by the Board with the Decision and Rate Order are different from the Tariff, as the model is designed to use billed kWh and kW as the allocators, not TCP4. NOTL assumes that the Board's intent in the Decision and Rate Order is to approve the rate riders based on use of the

TCP4 allocator.

Error - Line and Transformation Connection Service Rates

NOTL notes that the value in the Tariff for Line and Transformation Connection Service Rates for GS > 50kW and Streetlights do not match the corresponding rates in the IRM model in Sheet 22, as follows (all units are \$/kW)

- GS>50 non-interval
 - o Tariff 0.4944
 - o Model 0.4921
- GS>50 interval
 - o Tariff 1.1890
 - o Model 1.1836
- Streetlights
 - o Tariff 0.3822
 - o Model 0.3805

NOTL understands that the values in Sheet 22 of the model are what was intended by the Board in its Decision, and that an error arose in Sheet 27 at the time that the Tariff was generated in the Model.

We would be pleased to provide any further information or details that you may require.

Yours truly

Timothy B. Curtis, President

Encl.

Cc

David Macintosh and Randy Aiken for Energy Probe Michael Janigan and Shelley Grice for VECC Stephen Vetsis, OEB staff